



August 11, 2004

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BOB ALDRICH
Acting Executive Officer

TO: Local Agency Formation Commission

FROM: Acting Executive Officer
Project Manager

SUBJECT: Proposed "Del Rio Annexation to the City of Orange"
(CA 04-13)

APPLICANT

The City of Orange by Resolution of application.

PROPOSAL

On June 22, 2004, LAFCO received an application from the City of Orange to annex approximately 73 acres of unincorporated uninhabited territory within its sphere of influence. The subject area is part of a larger 176-acre unincorporated island area consisting of a sand, gravel and asphalt processing plant and other small commercial businesses. Only the subject 73-acre portion of the island is proposed for annexation at this time. The balance of the large-island territory will remain unincorporated.

The subject territory is proposed for development as a new residential planned community consisting of low and medium residential units, public park and open space uses. The purpose of the annexation is to place the Del Rio project territory within the city's jurisdiction to allow development to proceed consistent with the city's zoning and building standards and permit the city to provide municipal services to the area.

LOCATION/LAND USE

The territory is generally bound by the Santa Ana River channel to the north, Lincoln Avenue to the south and Glassell Street to the east. (See Attachment A, vicinity map.)

The proposed development project plan consists of 716-dwelling units, a 10.6-acre public park and 7 acres of permanent open space/greenway. The City of Orange has pre-zoned the area as Planned Community. The city's General Plan has been amended to reflect the designations of

Low-Medium and Medium Density Residential, Open Space-Park and Open Space land uses. Existing surrounding land uses include:

North - 91 freeway, Santa Ana River channel and condominiums

South - Church, commercial and residential development

West - Asphalt plant and the Santa Ana River channel

East - Church, park, commercial and residential uses.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA), the City of Orange, as the lead agency, certified the Final EIR (FEIR) and adopted Findings of Fact and Mitigation Monitoring and Reporting Program for the Del Rio Development Plan on May 11, 2004. LAFCO, as a responsible agency, will consider the FEIR and the City's CEQA findings for the proposed annexation. The Findings of Fact and Mitigation Monitoring and Reporting Program are attached to this report (please see Attachment B). The FEIR is available in the LAFCO office for Commission review.

PROPERTY TAX

The County of Orange and City of Orange have adopted amendments to an Annexation Agreement on June 8, 2004 and July 27, 2004 respectively. The amended agreement allocates 50.8 percent of the property tax revenue to the City of Orange and 49.2 percent to the County of Orange in accordance with their Master Property Tax Exchange Agreement adopted on October 28, 1980.

RECOMMENDATIONS

Staff recommends that the Commission:

1. Make findings pursuant to State CEQA Guidelines §15096(g)(2) and §15096(h), that the Commission has considered the Final EIR prepared by the City of Orange for the Del Rio Development Plan, and that it did not find any feasible alternative or feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the project would have on the environment, and that it has considered findings made by the City of Orange for the Final EIR and supplement pursuant Sections 15091 and 15093, incorporated herein by this reference and adopted by the Commission as though fully set forth herein.
2. Adopt the form of resolution approving the "Del Rio Annexation to the City of Orange" (CA 04-13) subject to the following terms and conditions:
 - a. Payment of County Clerk-Recorder and State Board of Equalization fees.
 - b. Upon annexation of the territory to the city, all right, title, and interest of the County, including the underlying fee title where owned by the County

in any and all public roads, bridges, storm drains, sidewalks, trails, landscaped areas, street lights, open space, and local parks shall vest in the City, except for those properties to be retained by the County and specifically listed in these terms and conditions, if any. The City shall assume ownership and maintenance responsibility upon the effective date of annexation.

- c. Upon the effective date of annexation, the City shall do the following: (1) assume ownership and maintenance responsibilities for all drainage devices, storm drains and culverts, appurtenant facilities (except regional flood control channels), site drainage, and all master plan storm drain facilities that are within the annexation area and are County (OCFCD) operated and maintained; (2) administer flood zoning and Federal Emergency Management Agency floodplain regulations within the annexation area; (3) coordinate development within the annexation area that is adjacent to any existing flood control facilities for which OCFCD has a recorded flood control easement or owns fee interest, by submitting plans and specifications to the Manager of Flood Control Division, County of Orange Resources and Development Management Department, for review and require execution of agreement for acceptance of the facility design and construct necessary flood facilities to the satisfaction of Orange County (OCFCD); (4) direct the developer to enter into agreement with Orange County Flood Control District for acceptance and maintenance of flood control facilities.
- d. The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
- e. The effective date shall be the date of recordation.

Respectfully submitted,

BOB ALDRICH

KIM A. KOEPPEN

Attachments: A. Vicinity Map
B. Environmental Documents:
Council Resolution Certifying FEIR
Findings of Fact and Mitigation and Monitoring and Reporting Program